

D.T.E. 03-115

Petition of Fitchburg Gas and Electric Light Company for approval of its Electric Reconciliation Mechanism and Transition Charge Reconciliation Filing, pursuant to G.L. c. 164, § 1A(a), 220 C.M.R. § 11.03 (4)(e), and D.P.U./D.T.E. 97-115/98-120.

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FOR: FITCHBURG GAS AND ELECTRIC
LIGHT COMPANY
Petitioner

I. INTRODUCTION

On November 26, 2003, Fitchburg Gas and Electric Light Company (“Fitchburg” or “Company”) filed its 2003 reconciliation filing for approval by the Department of Telecommunications and Energy (“Department”). Included in this filing is a reconciliation of the Company’s 2003 transition, transmission, standard offer service, and default service costs and revenues, and proposed updated charges and tariffs to be effective for consumption on and after January 1, 2004. In addition, Fitchburg filed a proposed adjustment to its standard offer service fuel adjustment factor (“SOSFA”).¹ The Department docketed the filing as D.T.E. 03-115. The Company’s last reconciliation filing and SOSFA were approved subject to further investigation in Fitchburg Gas and Electric Light Company, D.T.E. 02-84 (2003).

Fitchburg’s proposed changes in rates, effective for consumption on and after January 1, 2004, include the following: (1) a transition charge of \$0.00982 per kilowatthour (“KWH”); (2) an external transmission charge of \$0.00308 per KWH; (3) an internal transmission service cost adjustment of \$0.00044 per KWH; (4) a base standard offer service charge of \$0.05100 per KWH; and (5) a SOSFA of \$0.01223 per KWH. The Company states that the SOSFA is necessary to recover SOSFA deferrals that it accumulated between April and December 2000. The Company further states that if it is allowed to implement the proposed SOSFA, its SOSFA deferral should be significantly reduced by March 1, 2005 (Exh. FGE-DJD-a, at 8).

¹ On December 11, 2003, the Company filed a revision to its proposed SOSFA.

On December 8, 2003, the Department requested comments on Fitchburg's proposed rate adjustments and reconciliation for 2004. On December 17, 2003, the Attorney General submitted comments on the Company's petition. The Company responded to one information request.

II. ANALYSIS AND FINDINGS

The Department determines that further investigation is necessary into this filing. The Department finds, however, that the tariffs filed by the Company on November 26, 2003, including the revised SOSFA filed on December 11, 2003, for service on and after January 1, 2004, are in compliance with G.L. c. 164, § 1B(b), the Company's restructuring plan approved by the Department in D.P.U./D.T.E. 97-115/98-120, and Department precedent.² Therefore, rate changes are allowed subject to reconciliation pursuant to the Department's ongoing investigation.

III. ORDER

After due notice and consideration, it is

ORDERED: That the tariffs filed by Fitchburg Gas and Electric Light Company with the Department on November 26, 2003, M.D.T.E. Nos. 104 through 107, are ALLOWED; and it is

FURTHER ORDERED: That the transition charge, external transmission charge, internal transmission service cost adjustment, standard offer service charge, and SOSFA as

² Fitchburg Gas and Electric Light Company, 99-110 (1999); Fitchburg Gas and Electric Light Company, D.T.E. 01-103-A (2002).

proposed by Fitchburg Gas and Electric Light Company are ALLOWED subject to reconciliation pursuant to the Department's investigation; and it is

FURTHER ORDERED: That Fitchburg Gas and Electric Light Company comply with any and all other directives contained in this Order.

By Order of the Department,

Paul G. Afonso, Chairman

W. Robert Keating, Commissioner

Eugene J. Sullivan, Jr., Commissioner

Deirdre K. Manning, Commissioner